



News Release

DEPARTMENT OF ECONOMIC SECURITY
John L. Clayton, Director

FOR IMMEDIATE RELEASE

Visit our DES web site at
www.de.state.az.us

MEDIA CONTACT

Liz Barker
(602)542-5496

LAYOFFS IN DEPARTMENT OF ECONOMIC SECURITY TO AFFECT RURAL ARIZONA Further budget cuts may mean more lost jobs, Director warns

PHOENIX - (February 14, 2002) Arizonans applying for financial assistance, medical insurance and other benefits from the Department of Economic Security (DES) may face longer wait times in some Arizona cities, as DES employees are laid off.

Most of the layoffs - which include benefits eligibility workers, supervisors and customer service representatives - will occur in rural Arizona in the Family Assistance Administration, which handles eligibility for a services such as cash assistance, food stamps and medical insurance. Maricopa County will not be affected.

Twenty-seven temporary, seasonal and probationary employees will lose their jobs at the end of the month. An additional 168 employees may also be affected. DES is working with its own divisions and with other state agencies to attempt to place these workers in vacant positions throughout the state.

"We are facing the same situation as many of our clients and other state agencies - trying to do more with less," DES Director John Clayton said. "We have implemented a variety of strategies to reduce costs, including implementing a statewide hiring freeze, reducing overtime and employee travel and putting off equipment purchases to deal with tough budget times. We will do whatever we can to help these employees find another job."

In a special session held in November 2002, the legislature cut the DES budget by \$15 million. This, combined with cuts now being considered, would represent a total loss to the department of about \$20.5 million this fiscal year.

Gov. Janet Napolitano made no further administrative cuts to state departments in her January budget proposal. But a plan released earlier this month by the chairs of the Joint Legislative Budget Committee would further cut DES programs and eliminate others.

The current recession has contributed to a dramatic rise in the number of people seeking assistance. While the number of people seeking jobless benefits has tripled, applications for food stamps are up 49 percent and requests for medical assistance are up 69 percent.

For more information regarding this press release, please contact the Public Information Office at, (602) 542-4296.